GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:752
ANSWERED ON:17.08.2007
HOUSE BUILDING ADVANCE FOR GOVERNMENT EMPLOYEES
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Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the Central Government employees get House Building Advance for the purpose of construction/purchase/renovation of their Houses;

(b) if so, the details thereof and conditions thereto;

(c) the details regarding applications received processed HBA and funds released for the last three years;

(d) whether in view of the increasing cost of building material, the Government is likely to raise the ceiling of the said HBA; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI AJAY MAKEN)

(a): House Building Advance is admissible to the Government employees for purpose of construction/purchase of houses/flats. House Building Advance is not admissible for renovation of houses.

(b): House Building Advance (HBA) is admissible to the Government employees for the following purposes:-

(i) Purchasing a plot and constructing a house thereon or acquiring house through membership of Co-operative Group Housing Societies on self financing basis.

(ii) Outright purchase of a new ready-built house/flat from Housing Boards, Development Authorities and other statutory or semi-Government bodies, approved by the Ministry of Urban Development and also from private registered builders, but not from private individuals.

(iii) Enlarging living accommodation in an existing house owned by the official or jointly with his/her wife/husband.

AMOUNT OF ADVANCE

(i) should not exceed an amount equal to 34 times the basic pay and dearness pay taken together subject to maximum of 75 lakh in case of construction/purchase of house/flat and Rs.1.8 lakh in case of enlargement of the house/flat.

(ii) shall be restricted to 80% of the true cost of land and construction of the house or the true cost of enlarging living accommodation in case of construction in rural areas. This can be relaxed and 100% can be sanctioned, if HOD certifies that the concerned rural area falls within the periphery of a town or city.

CONDITIONS TO BE FULFILLED

(i) only one advance shall be sanctioned to a Government servant during his/her entire service.

(ii) the official or the official`s wife/husband/minor child should not already own a house in the town/urban agglomeration where the house is proposed to be constructed or acquired with the help of HBA.

(iii) the title to the land should be clear, the land may be owned by the official or by the official and official`s wife/husband jointly.

(iv) the cost of the house to be built/purchased (excluding the cost of the plot) should not be exceed 134 times (basic pay+DP), subject to minimum of 7.5 lakh and a maximum of 18 lakh.

(c): So far as the details regarding applications received and processed for HBA sanction and funds released for the last three years concerned, it is stated that this Ministry does not process HBA applications received from the Government servant as the power has been delegated to the all administrative Ministries/Departments to process the House Building Advance applications received from concerned employees for sanction of HBA. Therefore, detail of applications received/processed and funds released in last three

years is not available with this Ministry.

(d)&(e): Ministry has proposed revision of cost ceiling limit of construction/purchase of the house for sanction of House Building Advance to Central Government employees for consideration of 6th Pay Commission.